

**BOARD OF TRUSTEES WORK SESSION  
DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
AND RICHLAND COLLEGIATE HIGH SCHOOL**

**District Office  
1601 South Lamar Street  
Dallas, TX 75215  
Lower Level, Room 007  
Tuesday, April 3, 2012  
1:00 p.m.**

**Agenda**

- I. Certification of notice posted for the meeting
- II. Continuation of March 6, 2012 Interim Update to Multi-Year Financial Outlook & Plan, FY 2012-2014 starting with Tuition Discussion: Dual Credit Ed DesPlas
- III. Continuation of planning discussion from March 6, 2012 Special Board Meeting Jean Conway  
Kay Eggleston  
Thom Chesney
- IV. Update on Financial Aid Services Sharon Blackman
- V. Citizens desiring to appear before the board
- VI. Executive Session

The Board may conduct an executive session as authorized under §551.074 of the Texas Government Code to deliberate on personnel matters.

As provided by §551.072 of the Texas Government Code, the Board of Trustees may conduct an executive session to deliberate regarding real property since open deliberation would have a detrimental effect upon negotiations with a third person.

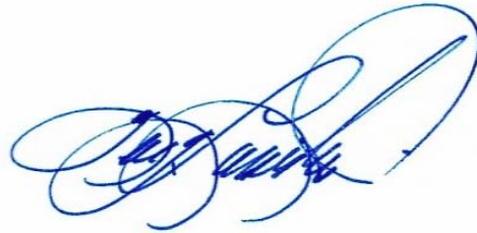
The Board may conduct an executive session under §551.071 of the Texas Government Code to seek the advice of its attorney and/or on a matter in which the duty of the attorneys under the Rules of Professional Conduct clearly conflict with the Open Meetings Act. The Board may seek or receive its attorney's advice on other legal matters during this executive session.

The Board may conduct an executive session under section 551.076 of the Texas Government Code to deliberate regarding the deployment or specific occasions for implementation of security personnel or devices."

V. Adjournment

**CERTIFICATION OF NOTICE POSTED  
FOR THE APRIL 3, 2012  
WORK SESSION OF THE  
DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
AND RICHLAND COLLEGIATE HIGH SCHOOL  
BOARD OF TRUSTEES**

I, Wright L. Lassiter, Jr., Secretary of the Board of Trustees of the Dallas County Community College District, do certify that a copy of this notice was posted on the 30<sup>th</sup> day of March 2012, in a place convenient to the public in the District Office Administration Building, and a copy of this notice was provided on the 30<sup>th</sup> day of March 2012, to John F. Warren, County Clerk of Dallas County, Texas, and the notice was posted on the bulletin board at the George Allen Sr. Courts Building, all as required by the Texas Government Code, §551.054.



---

Wright L. Lassiter, Jr., Secretary

# Dallas County Community College District

Interim Update to  
Multi-Year Financial Outlook and Plan  
FY 2012 – 2014

**Focus on**  
**Compensation & Planned Maintenance of Facilities**  
(continuation of presentation from March 6, 2012)

DCCCD Board Work Session  
April 3, 2012

# Tuition Discussion – Dual Credit

- DCCCD waives 100% of dual credit tuition (except on-line offered outside of service area)
- In most contracts with ISD's, DCCCD participates in cost of instruction (DCCCD pays ISD's based on adjunct rate for each dual credit class/section offered)
- Generally speaking, ISD's use DCCCD payments to purchase required college texts.
- College Presidents state preference for reducing tuition waiver to reducing or eliminating payments to ISD's.

# Tuition Discussion – Dual Credit (continued)

- Dual Credit tuition waived:
  - FY 2009: \$3.9 million
  - FY 2010: \$4.7 million
  - FY 2011: \$5.3 million
- Suggestion: **Reduce Waiver; increase net Tuition Revenue**
  - Change to a 75% waiver
  - Recover **\$1.32 million** (based on FY 2011)

# Needs – Focus Items

- Compensation:
  - COLA “Catch Up”, for everyone \$10.5 million
  - Faculty Pay Issues, amount TBD \$ 2.5 million
  - Other: Administrative & PSS \$ 0.8 million
  - Total *Annual Estimate*, up to **\$13.8 million**
- Facilities Projects
  - Total List \$86.0 million
  - Accomplished over 7 years **\$12.3 million/yr**
- Total **\$26.1 million/yr**

# Potential Sources to Fund Focus Items

- M&O Tax increase (7.99% > ETR) \$10.1 million
  - “Parallel” increase to Tuition Rate \$ 3.9 million
  - Reduce Dual Credit Waiver by 25% \$ 1.3 million
  - Designate money freed-up from  
MTN to Facilities Projects, up to \$ 5.5 million
- Total Potential Sources **\$20.8 million**

# Out of Balance: Focus Items vs. Sources

The gap between to \$26.1 million in “needs” and the \$20.8 million in *potential* sources will be bridged by further analysis, discussion, prioritization/reprioritization and resulting decisions.

# Multi-Year Financial Outlook and Plan

## FY 2012 – 2014

### Interim Update – April 3, 2012

\* FY12 Revenue & Expenditures are undergoing revision for presentation to Board in May 2012; figures shown are Board-approved, December 2011.

# 2013 – 2014 Revenue Assumptions

	<u>FY 2013</u>	<u>FY 2014</u>
<b>Credit Enrollment</b>	flat	flat
<b>Tuition Rate</b>	\$45	\$45
<b>State Formula Funding</b>	<b>\$500K decrease</b>	<b>3% decrease</b>
<b>Tax Base</b>	Flat	Flat
<b>Tax Rate – M&amp;O</b>	\$0.0789	\$0.0789

note: Spring 2013 is next point on 2-year cycle of tuition increases

# 2013 – 2014 Expenditures Assumptions and Provisions

	<u>FY 2013</u>	<u>FY 2014</u>
<b>Faculty Market Disparity</b>	<b>\$445,445</b>	<b>\$445,445</b>
<b>Visiting Scholar Provision</b>	<b>\$966,000</b>	<b>\$966,000</b>
<b>Mid-Year Growth Provision</b>	<b>\$0</b>	<b>\$0</b>
<b>Provision for Retention Initiatives</b>	<b>\$0</b>	<b>\$0</b>
<b>Technology "Edge" Provision</b>	<b>\$500,000</b>	<b>\$500,000</b>
<b>Provision for ATB Salary Adjustments</b>	<b>\$0</b>	<b>\$0</b>
<b>Provision for Faculty Formula Review</b>	<b>n/a</b>	<b>\$1,000,000</b>
<b>Provision Change in State Funding</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>
<b>Provision for Planned Maintenance – Facilities</b>	<b>\$4,250,000</b>	<b>\$5,500,000</b>

# Estimated Revenue 2012 - 2014

	<u>FY 2012*</u>	<u>FY 2013</u>	<u>FY 2014</u>
<b>State Revenue</b>	<b>89,955,380</b>	<b>89,455,380</b>	<b>86,771,719</b>
<b>Federal Funds - Work Study</b>	<b>1,037,885</b>	<b>1,037,885</b>	<b>1,037,885</b>
<b>Tuition: Credit &amp; Non Credit</b>	<b>91,353,559</b>	<b>89,353,559</b>	<b>89,353,559</b>
<b>Taxes</b>	<b>120,222,660</b>	<b>120,222,660</b>	<b>120,222,660</b>
<b>Investment Revenue</b>	<b>2,726,000</b>	<b>2,726,000</b>	<b>2,726,000</b>
<b>Other Revenue</b>	<b><u>3,257,735</u></b>	<b><u>3,290,312</u></b>	<b><u>3,314,990</u></b>
<b>Total</b>	<b>308,553,219</b>	<b>306,085,796</b>	<b>303,426,812</b>

# Estimated Expenditures 2012 - 2014

	<u>FY 2012*</u>	<u>FY 2013</u>	<u>FY 2014</u>
<b>College Operations</b>	<b>252,782,940</b>	<b>253,095,861</b>	<b>253,095,861</b>
<b>Percent of Change</b>		<b>0.1%</b>	<b>0.0%</b>
 <b>District Operations</b>	 <b>25,922,660</b>	 <b>25,922,660</b>	 <b>25,922,660</b>
<b>Percent of Change</b>		<b>0.0%</b>	<b>0.0%</b>
 <b>Virtual College Operations</b>	 <b>3,801,595</b>	 <b>3,801,595</b>	 <b>3,801,595</b>
<b>Shortfunded Benefits</b>	<b>12,074,260</b>	<b>12,074,260</b>	<b>12,074,260</b>
<b>Election Expense</b>	<b>780,344</b>		<b>500,000</b>
<b>Reserves &amp; Transfers</b>	<u><b>13,191,420</b></u>	<u><b>11,191,420</b></u>	<u><b>8,032,436</b></u>
<b>Total</b>	<b>308,553,219</b>	<b>306,085,796</b>	<b>303,426,812</b>
<b>Percent of Change</b>		<b>-0.8%</b>	<b>-0.9%</b>

# *Budgetary Objectives*

- Maintain low cost of tuition
  - Remain “fee free”
  - Specific high cost user fees (i.e. assessment costs) could be considered?
- Maintain low tax rate
- Declining State support expected
- Avoid further debt?
- Reduce costs; maintain control of costs
- Avoid enrollment caps